

STATE OF VERMONT
HUMAN SERVICES BOARD

In re)	Fair Hearing No. 18,317
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Appeal of)	
)	

INTRODUCTION

The petitioner appeals a decision of the Department of Prevention, Access, Transition, and Health Access (PATH) terminating her Medicaid benefits due to excess income.

FINIDNGS OF FACT

1. The petitioner is a fifty-seven-year-old disabled woman who lives alone. She will not be eligible for Medicare for two more years. She currently receives Medicaid benefits pending her appeal.

2. On February 3, 2003, the petitioner was notified by PATH that the last day of Medicaid eligibility would be February 28, 2003 based on excess income. She was also notified that she had a Medicaid spend-down of \$1,158.06. PATH calculated her eligibility by deducting \$20 from her \$1,154 per month Social Security disability benefits and comparing that amount to \$766 per month, which it used as the maximum for a single person household for Medicaid. It found the petitioner to be \$368 per month over that amount which

figure it multiplied by six months to obtain a spend-down amount of \$2,208. That amount was reduced by \$1,049.94 in over the counter medication expenses which the petitioner was expected to incur in the next six months for a total spend-down amount of \$1,158.06.

3. The petitioner does not disagree that her income is as PATH says or that she has over the counter medication expenses in the amount which was allowed. Rather she asks that she be allowed to stay on Medicaid until she becomes eligible for Medicare benefits. She says that she lives modestly and does not obtain benefits from the Food Stamp or fuel programs or from state assisted housing subsidies. She has been found eligible for the Vscript medication discount program but is not eligible for VHAP benefits because her income is \$31 over the maximum in that program of \$1,123 per month for a single person.

ORDER

PATH'S decision terminating the petitioner's benefits is affirmed.

REASONS

Under PATH'S Medicaid regulations, eligibility for an individual applicant is determined by subjecting her unearned income to a \$20 disregard. M243.1(1) and (2). At that point, any earned income is added together and subjected to a \$65 deduction as well as one-half of the remaining amount. M243.1(5),(7) and (9). M243.1(14). As the petitioner has no earned income, her net income is the adjusted unearned income, in this case \$1,134 per month. That net countable income is then compared to the highest applicable income test for an individual which is \$766 per month. M250, P-2420B-1. If the income is in excess of that amount, the applicant is not eligible. M250. The facts show that PATH followed these rules in calculating the petitioner's eligibility under its Medicaid regulations.

The only way the petitioner can obtain Medicaid at this point is by "spending down" the amount by which her income is in excess of the maximum amount. M400. That amount is calculated by using the difference between the countable income and the PIL over a six-month accounting period. M402 and M414. Under the regulations, applicants are allowed prospective deductions for over the counter medications in figuring the final spend-down to be met. M414. Again PATH

correctly used these regulations in determining the amount of the spend-down.

As PATH's decision is correctly based upon its regulations, the Board is bound to uphold the result. Fair Hearing Rule 17, 3 V.S.A. § 3091(d). The petitioner's income has made her eligible for the Vscript medication discount program but is in excess of the monthly maximum for VHAP (\$1,123 for a one person household) by \$31 which would provide her with hospital and physician coverage. The petitioner is urged to keep track of her medical expenses and to provide them to PATH for review for meeting her spend-down in the Medicaid program. The petitioner should also make periodic inquiries with PATH to see if there are any changes in the income eligibility amount for VHAP which might make her eligible for that program as she is close to the eligibility line. She is also encouraged to maximize her income by applying for other benefits or programs for which she might be eligible.

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